

COOPERATIVE FUNDING AGREEMENT NO. X-X-XXXX

BETWEEN

LOS ANGELES – SAN DIEGO – SAN LUIS OBISPO RAIL CORRIDOR AGENCY

AND

VENTURA COUNTY TRANSPORTATION COMMISSION

AND

SANTA BARBARA COUNTY ASSOCIATION OF GOVERNMENTS

FOR

THE FUNDING OF EXPANDED INTERCITY PASSENGER RAIL SERVICE

THIS COOPERATIVE FUNDING AGREEMENT (Agreement), is effective as of this ____ day of _____, 2026, by and between the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency (hereinafter referred to as “LOSSAN AGENCY”), 600 S. Main St., Orange, California, 92863, a joint powers authority as amended pursuant to Senate Bill 1225 (Chapter 802, Statutes of 2012) and the Ventura County Transportation Commission, 950 County Square Dr., Suite 207, Ventura, California, 93003, a public corporation of the State of California (hereinafter referred to as "VCTC"), and the Santa Barbara County Association of Governments, 260 N. San Antonio Rd. Suite B, Santa Barbara, California, 93110, a public corporation of the State of California (hereinafter referred to as “SBCAG”). The LOSSAN AGENCY and VCTC, SBCAG are individually known as “Party” and collectively known as “Parties”.

RECITALS:

WHEREAS, LOSSAN AGENCY is a joint powers authority as amended pursuant to Senate Bill 1225 (Chapter 802, Statutes of 2012); and

WHEREAS, in California, AMTRAK operates under contract with the LOSSAN AGENCY, intercity passenger rail service along the Los Angeles – San Diego – San Luis Obispo (LOSSAN) rail corridor; this service is known as the *Pacific Surfliner* Service (“Service”); and

WHEREAS, the LOSSAN AGENCY has assumed administrative and management responsibility for the Service as of July 1, 2015; and

1 **WHEREAS**, VCTC is a County transportation commission organized under the laws of California
2 and SBCAG is a joint powers agency created to serve as the Santa Barbara County Local Transportation
3 Authority; and

4 **WHEREAS**, VCTC and SBCAG desire to fund peak-period service between Ventura and Santa
5 Barbara counties, to provide a rail transportation option to serve passengers desiring to utilize rail service
6 as an alternative to vehicle travel using US 101 between Ventura and Santa Barbara counties during
7 peak commute times during the weekday, hereinafter referred to as Expanded Service Pilot and defined
8 further below; and

9 **WHEREAS**, the LOSSAN AGENCY has developed an operating plan and schedule that provides
10 an Expanded Service Pilot as well as continuing northbound service to San Luis Obispo and southbound
11 service from San Luis Obispo to San Diego, which maximizes the available intercity rail train time slot
12 and equipment utilization; and

13 **WHEREAS**, the LOSSAN AGENCY has secured necessary approvals to implement the
14 operating plan and schedule; and

15 **WHEREAS**, the Expanded Service Pilot is defined as the operation of Pacific Surfliner Train 757
16 and Train 786 for a twelve (12) month pilot period, including peak period service between Ventura and
17 Santa Barbara counties and the continuation of those train movements northbound to San Luis Obispo
18 and southbound to Los Angeles and San Diego, as further described in Exhibit A attached hereto and
19 incorporated herein; and

20 **WHEREAS**, VCTC and SBCAG agree to pay, in semi-annually (every six months) installments in
21 advance, a fixed fee contribution toward the costs associated with the provision of the Expanded Service
22 Pilot between Los Angeles to Goleta, including both operating costs and the agreed upon fare subsidy,
23 for a total combined contribution of \$2,219,240 as presented in Exhibit B, which shall represent VCTC
24 and SBCAG's total financial obligation under this Agreement; and

1 **WHEREAS**, the LOSSAN AGENCY agrees to fund the remaining portions of the Expanded
2 Service Pilot outside of the Los Angeles to Goleta segment, including the continuation of Train 757
3 northbound to San Luis Obispo and Train 786 southbound to San Diego, during the term of the pilot; and

4 **WHEREAS**, the locally funded peak period service and the LOSSAN AGENCY funded
5 continuation of service shall operate as a single integrated Expanded Service Pilot for a period of twelve
6 (12) months; and

7 **WHEREAS**, the Parties agree to work cooperatively on all marketing and promotional efforts to
8 support the Expanded Service Pilot.

9 **NOW, THEREFORE**, in consideration of their mutual obligations set forth herein, the Parties
10 agree as follows:

11 **ARTICLE 1. COMPLETE AGREEMENT**

12 A. This Agreement, including any Exhibits or attachments incorporated herein and made
13 applicable by reference, constitutes the complete and exclusive statement of the term(s) and conditions(s)
14 of this Agreement between LOSSAN AGENCY, VCTC and SBCAG and supersedes all prior
15 representations, understandings, and communications. The invalidity in whole or in part of any term or
16 condition of this Agreement shall not affect the validity of any other term(s) or conditions(s) of this
17 Agreement. The above referenced Recitals are true and correct and are incorporated by reference herein.

18 B. LOSSAN AGENCY's failure to insist on any instance(s) of VCTC's and SBCAG's
19 performance of any term(s) or condition(s) of this Agreement shall not be construed as a waiver or
20 relinquishment of LOSSAN AGENCY's right to such performance or to future performance of such term(s)
21 or condition(s), and VCTC's and SBCAG's obligation in respect thereto shall continue in full force and
22 effect. Changes to any portion of this Agreement shall not be binding upon LOSSAN AGENCY except
23 when specifically confirmed in writing by an authorized representative of LOSSAN AGENCY by way of a
24 written amendment to this Agreement and issued in accordance with the provisions of this Agreement.

25 C. VCTC's and SBCAG's failure to insist on any instance(s) of LOSSAN AGENCY's
26 performance of any term(s) or condition(s) of this Agreement shall not be construed as a waiver or

1 relinquishment of VCTC or SBCAG's right to such performance or to future performance of such term(s)
2 or condition(s), and LOSSAN AGENCY's obligation in respect thereto shall continue in full force and
3 effect. Changes to any portion of this Agreement shall not be binding upon VCTC and SBCAG except
4 when specifically confirmed in writing by an authorized representative of VCTC and SBCAG by way of a
5 written amendment to this Agreement and issued in accordance with the provisions of this Agreement.

6 **ARTICLE 2. SCOPE OF AGREEMENT**

7 This Agreement specifies the roles and responsibilities of the LOSSAN AGENCY, VCTC, and
8 SBCAG (hereinafter collectively known as the "Parties" and individually as a "Party") as they pertain to
9 the "Expanded Service Pilot". Expanded Service Pilot shall be as defined in the eighth Recital to this
10 Agreement. The Parties agree that each will reasonably cooperate and coordinate with the others in all
11 activities covered by this Agreement and any other supplemental agreements that may be required to
12 facilitate purposes thereof.

13 **ARTICLE 3. RESPONSIBILITIES OF LOSSAN AGENCY**

14 LOSSAN AGENCY agrees:

15 1. To implement and operate the Expanded Service Pilot in coordination with VCTC and
16 SBCAG.

17 2. To ensure that the Expanded Service Pilot is operated in accordance with all applicable
18 federal and state laws, orders, and directives governing the provision of passenger rail service.

19 3. To account for the fixed costs associated with the Expanded Service Pilot, as defined in
20 Exhibit C, and to provide supporting documentation, as deemed necessary by VCTC and SBCAG, to
21 demonstrate the methodology and assumptions used in establishing such costs and to reasonably
22 cooperate with VCTC and SBCAG to provide supporting documentation in furtherance of any state, local,
23 and federal requirements tied to funds dedicated to the Expanded Service Pilot.

24 4. To take primary responsibility for marketing the Expanded Service Pilot, in coordination
25 with VCTC and SBCAG, including developing a dedicated webpage on the PacificSurfliner.com website

1 with links to station information and ticket purchasing, conducting social media outreach, outgoing email,
2 and other marketing efforts, as appropriate.

3 5. To provide quarterly performance reporting to VCTC and SBCAG that tracks key success
4 measures of the Expanded Service Pilot, including ridership, on-time performance and other metrics,
5 based on the data available from Amtrak and LOSSAN Agency systems.

6 6. To submit an invoice to VCTC and SBCAG for the initial semi-annual installment, based
7 on fixed costs associated with the Expanded Service Pilot as identified in Exhibit C, upon execution of
8 this Agreement by all Parties. The timing of the initial invoice shall be coordinated to ensure that VCTC
9 and SBCAG remit payment to LOSSAN AGENCY either upon execution of this Agreement, if the date
10 that service commences pursuant to the Expanded Service Pilot ("Service Commencement Date") is
11 within forty five (45) days of execution, or no later than forty-five (45) days prior to the Service
12 Commencement Date, if execution occurs more than forty five (45) days in advance, consistent with the
13 advance payment schedule shown in Exhibit B.

14 7. For each subsequent semi-annual payment, LOSSAN AGENCY shall submit invoices to
15 VCTC and SBCAG no later than thirty (30) days prior to the start of the applicable six-month period.
16 VCTC and SBCAG shall remit payment within thirty (30) days of receipt of such invoice.

17 8. Fare revenue collected by Amtrak for Expanded Service Pilot shall be remitted to and
18 retained by LOSSAN AGENCY and used to offset operational costs.

20 **ARTICLE 4. RESPONSIBILITIES OF VCTC AND SBCAG**

21 VCTC and SBCAG agree:

22 1. To fund the Expanded Service Pilot up to the Maximum Obligation specified in Article 7
23 below and coordinate with LOSSAN AGENCY to implement Expanded Service Pilot.

24 2. To provide advance funding to LOSSAN AGENCY on a semi-annual basis, based on
25 fixed costs associated with the Expanded Service Pilot as identified in Exhibit C. The initial installment
26 shall be remitted to the LOSSAN AGENCY upon execution of this Agreement by all Parties, if the date

1 that service commences pursuant to the Expanded Service Pilot (the "Service Commencement Date") is
2 within forty five (45) days of execution, or no later than forty five (45) days prior to the Service
3 Commencement Date, if execution occurs more than forty five (45) days in advance, whichever occurs
4 first. Each subsequent installment shall be remitted no later than thirty (30) days prior to the start of the
5 applicable six-month period, in accordance with the advance payment schedule set forth in Exhibit B.

6 3. To be solely responsible for ensuring that (1) the funds dedicated by VCTC and SBCAG
7 to the Expanded Service Pilot may be used for such purpose and (2) all applicable federal, state or local
8 requirements tied to the source of funds provided for Expanded Service Pilot are met. Any documentation
9 needed to support such compliance shall be communicated in writing to the LOSSAN AGENCY prior to
10 the commencement of the service.

11 4. To support LOSSAN AGENCY's marketing efforts to promote the Expanded Service Pilot
12 and build local awareness for the new service.

13 5. May elect to jointly subsidize or reduce fares, which shall be coordinated with the LOSSAN
14 AGENCY to develop and implement fare promotions designed to support and grow ridership.

15 **ARTICLE 5. MUTUAL RESPONSIBILITIES**

16 The Parties agree:

17 1. To coordinate on customer and public communications, marketing and outreach activities
18 related to Expanded Service Pilot which recognizes LOSSAN AGENCY Board approved plans to provide
19 additional Amtrak Pacific Surfliner service in place of Expanded Service Pilot in the future.

20 2. To coordinate and develop fare promotions designed to promote and grow ridership.

21 **ARTICLE 6. DELEGATED AUTHORITY**

22 The actions required to be taken by VCTC and SBCAG in the implementation of this Agreement are
23 delegated to its Executive Director, or designee, and the actions required to be taken by LOSSAN
24 AGENCY in the implementation of this Agreement are delegated to LOSSAN AGENCY's Managing
25 Director or designee.

26 **ARTICLE 7. MAXIMUM OBLIGATION**

1 VCTC and SBCAG's total maximum contribution for the Expanded Service Pilot shall not exceed
2 \$2,219,240, which will be paid 50 percent by VCTC and 50 percent by SBCAG each contributing
3 \$1,109,620 towards the total amount as outlined in Exhibit B. For avoidance of doubt, this amount
4 constitutes the total maximum obligation of VCTC and SBCAG and shall not be exceeded unless the
5 Parties mutually agree to extend the Expanded Service Pilot and memorialize any increased contribution
6 through a written amendment to this Agreement signed by all parties to this Agreement.

7 **ARTICLE 8. AUDIT AND INSPECTION**

8 The Parties shall maintain a complete set of records in accordance with generally accepted
9 accounting principles. Upon reasonable notice, any of the three Parties shall permit the authorized
10 representatives of other Parties to inspect and audit all work, materials, books, accounts, and other data
11 and records related to Expanded Service Pilot for a period of four (4) years after completion of this
12 Agreement, or until any on-going audit is completed. For purposes of audit, the date of completion of
13 this Agreement shall be the date that is twelve months after the Effective Date, unless earlier terminated
14 in accordance with this Agreement. LOSSAN AGENCY shall have the right to reproduce any such books,
15 records, and accounts. In addition, as this Agreement exceeds ten thousand dollars (\$10,000.00), each
16 Party shall be subject to the examination and audit of the State Auditor General for a period of three (3)
17 years after final payment under the Agreement (Cal. Govt. Code Section 8546. 7). Each Party shall
18 participate in any audits and review, whether by another Party or the State, at no charge.

19 **ARTICLE 9. INDEMNIFICATION**

20 A. To the fullest extent permitted by law, VCTC and SCBAC shall on behalf of
21 themselves defend (at VCTC and SBCAG's sole cost and expense with legal counsel
22 reasonably acceptable to LOSSAN Agency), indemnify, protect, and hold harmless LOSSAN
23 Agency, its officers, directors, employees, and agents (collectively the "Indemnified Parties"),
24 from and against any and all liabilities, actions, suits, claims, demands, losses, costs,
25 judgments, arbitration awards, settlements, damages, demands, orders, penalties, and

1 expenses including legal costs and attorney fees (collectively "Claims"), including but not
2 limited to Claims arising from injuries to or death of persons (VCTC's and SBCAG's
3 employees included), for damage to property, including property owned, operated, or
4 maintained by LOSSAN Agency, or from any violation of any federal, state, or local law or
5 ordinance, to the extent caused by the negligent acts, omissions or willful misconduct of VCTC
6 and SBCAG, its officers, directors, employees or agents in connection with or arising out of
7 the performance of this Agreement. Pursuant to the foregoing obligations VCTC and SBCAG
8 are each responsible for their individual obligations stemming from their individual acts,
9 omissions, and/or misconduct and therefore, SBCAG and VCTC are not jointly and severally
10 liable for the obligations of the other.

12 B. To the fullest extent permitted by law, LOSSAN Agency shall defend (at
13 LOSSAN Agency's sole cost and expense with legal counsel reasonably acceptable to VCTC
14 and SBCAG), indemnify, protect, and hold harmless VCTC and SBCAG, its officers, directors,
15 employees, and agents (collectively the "Indemnified Parties"), from and against any and all
16 liabilities, actions, suits, claims, demands, losses, costs, judgments, arbitration awards,
17 settlements, damages, demands, orders, penalties, and expenses including legal costs and
18 attorney fees (collectively "Claims"), including but not limited to Claims arising from injuries to
19 or death of persons (LOSSAN Agency's employees included), for damage to property,
20 including property owned, operated, or maintained by VCTC and SBCAG, or from any
21 violation of any federal, state, or local law or ordinance, to the extent caused by the negligent
22 acts, omissions or willful misconduct of LOSSAN Agency, its officers, directors, employees or
23 agents in connection with or arising out of the performance of this Agreement.

25 C. The indemnification and defense obligations of this Agreement shall survive its

1 expiration or termination.

3 **ARTICLE 10. ADDITIONAL PROVISIONS**

4 A. **Term of Agreement:** The term of this Agreement shall be for twelve (12) months from the
5 Effective Date, unless otherwise amended or extended by written amendment, and provided that any
6 Party may terminate this Agreement before its expiration upon sixty (60) days written notice to the other
7 Parties.

8 B. **Termination:** In the event any Party defaults in the performance of their obligations under
9 this Agreement or breaches any of the provisions of this Agreement, any non-defaulting Party shall have
10 the option to terminate this Agreement upon sixty (60) days' prior written notice to the other Parties.

11 C. **Termination for Convenience:** Any Party may terminate this Agreement for its
12 convenience by providing sixty (60) days' prior written notice of its intent to terminate for convenience to
13 the other Parties. In the event that the Agreement is terminated, LOSSAN AGENCY shall refund
14 unexpended advance payments to VCTC and SBCAG, net of any outstanding and unreimbursed costs
15 incurred by LOSSAN AGENCY in connection with the Expanded Service Pilot through the effective date
16 of termination. Fare revenue collected by Amtrak and remitted to LOSSAN AGENCY prior to termination
17 shall be applied toward such costs in accordance with this Agreement. No additional payment or
18 reimbursement shall be owed by VCTC or SBCAG beyond the amounts advanced under this Agreement,
19 and no further financial obligation shall accrue following the effective date of termination.

20 D. **Compliance:** LOSSAN AGENCY and VCTC and SBCAG shall comply with all applicable
21 federal, state, and local laws, statutes, ordinances and regulations of any governmental authority having
22 jurisdiction over the Expanded Service Pilot.

23 E. **Legal Authority:** LOSSAN AGENCY and VCTC and SBCAG hereto consent that they are
24 authorized to execute this Agreement on behalf of said Parties and that, by so executing this Agreement,
25 the Parties hereto are formally bound to the provisions of this Agreement.

26 F. **Severability:** If any term, provision, covenant or condition of this Agreement is held to be

1 invalid, void or otherwise unenforceable, to any extent, by any court of competent jurisdiction, the
2 remainder of this Agreement shall not be affected thereby, and each term, provision, covenant or
3 condition of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

4 G. Counterparts of Agreement: This Agreement may be executed and delivered in any
5 number of counterparts, each of which, when executed and delivered, shall be deemed an original and
6 all of which together shall constitute the same agreement. Facsimile, electronic and digital signatures
7 will be permitted.

8 H. Force Majeure: Any Party shall be excused from performing its obligations under this
9 Agreement during the time and to the extent that it is prevented from performing by an unforeseeable
10 cause beyond its control, including but not limited to; any incidence of fire, flood; acts of God;
11 commandeering of material, products, plants or facilities by the federal, state or local government;
12 national fuel shortage; or a material act or omission by any other Party; when satisfactory evidence of
13 such cause is presented to the other Parties, and provided further that such nonperformance is
14 unforeseeable, beyond the control and is not due to the fault or negligence of the Party not performing.

15 I. Assignment: Neither this Agreement, nor any of the Parties' rights, obligations, duties, or
16 authority hereunder may be assigned in whole or in part by any Party without the prior written consent
17 of the other Parties in their sole and absolute discretion. Any such attempt of assignment shall be
18 deemed void and of no force and effect. Consent to one assignment shall not be deemed consent to
19 any subsequent assignment, nor the waiver of any right to consent to such subsequent assignment.

20 J. Governing Law: The laws of the State of California and applicable local and federal laws,
21 regulations and guidelines shall govern this Agreement. Venue for any action arising out of this
22 Agreement shall be Orange County, California.

23 K. Litigation fees: [reserved]

24 L. Notices: Any notices, requests, or demands made between the Parties pursuant to this
25 Agreement are to be directed as follows:

1 **To VENTURA COUNTY TRANSPORTATION
2 COMMISSION**

3 Ventura County Transportation Commission
4 751 E. Daily Drive
5 Suite #420
6 Camarillo, CA 93010

7 Attention: Martin Erickson
8 Title: Executive Director
9 Phone: (805) 642-1591 ext. 123
10 E-mail: merickson@goventura.org

1 **To LOSSAN RAIL CORRIDOR AGENCY**

2 LOSSAN Rail Corridor Agency
3 600 South Main Street
4 P.O. Box 14184
5 Orange, CA 92863-1584

6 Attention: Jason Jewell
7 Title: Managing Director
8 Phone: (714) 560 – 5086
9 E-mail: jjewell@octa.net

10 CC: Kristopher Ryan
11 Title: Chief Finance Officer
12 E-mail: kryan@octa.net

13 **To SANTA BARBARA COUNTY
14 ASSOCIATION OF GOVERNMENTS**

15 Santa Barbara County Association of
16 Governments
17 260 N. San Antonio Rd. Suite B
18 Santa Barbara, California 93110

19 Attention: Marjie Kirn
20 Title: Executive Director
21 Phone: (805) 961-8908
22 E-mail: mkirn@sbcag.org

23 M. Effective Date: This Agreement shall be made effective upon execution by all Parties.

24 N. Amendments: This Agreement may be amended in writing at any time by the mutual
25 consent of the Parties. No amendment shall have any force or effect unless executed in writing by the
26 Parties.

27 O. Nondiscrimination: Each Party shall comply with the Civil Rights Act of 1964, as amended,
28 and shall not discriminate on the basis of race, color, national origin, or sex in the performance of this
29 Agreement.

30 P. Survival: All provisions of this agreement which by their nature are intended to survive the
31 termination or expiration of this Agreement shall survive such termination or expiration.

[This area intentionally left blank. Signatures on following page.]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement No. X-X-XXXX to be
executed on the date first written above.

**VENTURA COUNTY TRANSPORTATION
COMMISSION**

LOSSAN RAIL CORRIDOR AGENCY

By: _____

By: _____

Martin Erickson
Executive Director

Jason Jewell
Managing Director

APPROVED AS TO FORM:

APPROVED AS TO FORM:

By: _____

By: _____

Lindsay D'Andrea
General Counsel

James M. Donich
General Counsel

Dated : _____

Dated : _____

SANTA BARBARA COUNTY ASSOCIATION OF GOVERNMENTS

By: _____

Marjie Kirn
Executive Director

Dated: _____

APPROVED AS TO FORM:
Rachel Van Mullem
County Counsel

By: _____

Sr. Deputy County Counsel
Counsel for SBCAG

EXHIBIT A
EXPANDED SERVICE PILOT

SERVICE SCHEDULE

Train 757 Northbound (Los Angeles to San Luis Obispo)		Train 786 Southbound (San Luis Obispo to San Diego)	
Station		Station	
Los Angeles (LAX)	5:13 AM	San Luis Obispo	12:12 PM
Glendale	5:26 AM	Grover Beach	12:31 PM
Burbank-Downtown	5:33 AM	Guadelupe-Santa Maria	12:46 PM
Burbank-Bob Hope Airport	5:39 AM	Lompoc	1:25 PM
Van Nuys	5:47 AM	Goleta	2:35 PM
Northridge	5:55 AM	Santa Barbara	2:53 PM
Chatsworth	6:02 AM	Carpinteria	3:12 PM
Simi Valley	6:14 AM	Ventura Downtown-Beach	3:42 PM
Moorpark	6:27 AM	Oxnard	4:01 PM
Camarillo	6:41 AM	Camarillo	4:14 PM
Oxnard	6:57 AM	Moorpark	4:25 PM
Ventura Downtown-Beach	7:11 AM	Simi Valley	4:41 PM
Carpinteria	7:37 AM	Chatsworth	4:54 PM
Santa Barbara	7:56 AM	Northridge	--
Goleta	8:15 AM	Van Nuys	5:13 PM
Lompoc	9:34 AM	Burbank-Bob Hope Airport	5:21 PM
Guadelupe-Santa Maria	10:08 AM	Burbank-Downtown	--
Grover Beach	10:24 AM	Glendale	5:34 PM
San Luis Obispo	10:53 AM	Los Angeles (LAX)	5:48 PM
		<i>Continuing to San Diego</i>	9:07 PM

EXHIBIT B
FUNDING ADVANCEMENT SCHEDULE

The Parties agree to this **Exhibit B – Funding Advancement Schedule**. The schedule outlines the anticipated timing for semi-annual (SA) advances from the VCTC and SBCAG to LOSSAN AGENCY, based on the fixed costs identified in Exhibit C. The advancement timeline may be adjusted upon mutual agreement of the Parties if funding or service conditions change.

Funding Advancement Assumptions:

Payments will be made on a semi-annual basis. The initial installment shall be invoiced by LOSSAN AGENCY upon execution of this Agreement by all Parties and remitted by VCTC and SBCAG either upon execution of the Agreement if the Service Commencement Date occurs within forty-five (45) days of execution, or no later than forty-five (45) days prior to the Service Commencement Date if execution occurs more than forty-five (45) days in advance. Each subsequent installment shall be remitted no later than thirty (30) days prior to the start of the applicable six-month period.

Semi-Annual (SA) Period	Start of Period	Payment Timing Requirement
SA1	[Service Commencement Date]	Due upon execution or forty-five (45) days prior to the Service Commencement Date, whichever occurs first
SA2	[Six Months from Service Commencement]	Due no later than thirty (30) days prior to the start of SA2

Advance Payment Installment Schedule

Semi-Annual Payments (SA)	Total Amount Due	VCTC Share	SBCAG Share
SA Payment 1	\$1,109,620	\$554,810	\$554,810
SA Payment 2	\$1,109,620	\$554,810	\$554,810
Total	\$2,219,240	\$1,109,620	\$1,109,620

EXHIBIT C
ANNUAL OPERATING BUDGET
(FIXED COST BASIS)

Expanded Service Pilot (LAX to Goleta)

Category	Annual Cost (\$)
Train & Engine Crew Labor	379,690
Equipment Maintenance	1,304,443
Fuel	559,101
On-board Services	268,672
Yard Operations	38,409
Call Center	30,728
Amtrak Overhead	275,229
On-board Wi-Fi	35,776
Host Railroad (UP Capital & OTP)	1,427,433
Total Operating Costs	4,319,481
Requested Fare Subsidy	157,000
Total Service Cost	4,476,480

Category	Revenues (\$)
SBCAG/VCTC Fixed Fee Contribution	2,219,240
Passenger Fares	2,257,240
Total Revenue/Contributions	4,476,480